

State and Local Government in Louisiana: An Overview 2008-2012 Term

CHAPTER 2 — STATE GOVERNMENT FUNCTIONS

Part J. Gaming

The legislature has authorized several forms of gaming as exceptions to the general crime of gambling. (R.S. 14:90) This part provides a brief overview of the provisions of law regarding gaming. The House Legislative Services staff prepares annually a comprehensive compilation of all laws governing gaming.

LOUISIANA CONSTITUTION

Const. Art. XII, §6 governs the authority of the legislature with respect to gambling.

Const. Art. XII, §6(A) provides that the legislature may provide for the creation of a state lottery.

Const. Art. XII, §6(B) provides: "Gambling shall be defined by and suppressed by the legislature." This Paragraph provides for the general grant of authority to the legislature regarding gambling.

Const. Art. XII, §6(C) was added pursuant to approval of the voters on September 21, 1996.

- Const. Art. XII, §6(C)(1)(a) and (b) provide for gaming, gambling, or wagering referendum elections. Both provisions require a vote of the electors of a parish before new gaming, gambling, or wagering or gaming, gambling, or wagering which is new to the parish can be conducted in the parish.
- Const. Art. XII, §6(C)(2) provides for referendum elections pertaining to riverboats. It requires the approval of the electors of the parish voting in an election called for that purpose before any additional riverboats could berth in a parish conducting riverboat gaming in 1996, or before an existing licensed riverboat could change its berthing site within a parish.
- Const. Art. XII, §6(C)(3) provides: "The legislature may at any time repeal statutes authorizing gaming, gambling, or wagering."
- Const. Art. XII, §6(C)(4) provides: "Notwithstanding Article III, Section 12, or any other provision of this constitution, the legislature by local or special law may provide for elections on propositions relating to allowing or prohibiting one or more forms of gaming, gambling, or wagering authorized by legislative act."

LOCAL OPTION ELECTIONS

1996 Local Option Election

Statutory Provisions: R.S. 18:1300.21-1300.23.

1996 Local Option Election: Act No. 57 of the 1996 First Extraordinary Session (R.S. 18:1300.21) provided for a local option election on gaming issues throughout the state. Act No. 57 provided that a proposition appear on the ballot in every parish to determine whether the conducting of gaming activity should be permitted in the parish. The election was conducted November 5, 1996. The electors of each parish voted on the type of gaming which was authorized by law (as of May 9, 1996) to be conducted in their parish. All parishes voted on the video draw poker device operations. Parishes bordering designated waterways (as provided in R.S. 27:43(B)(1)), voted on riverboat gaming activities. Orleans Parish had an additional ballot question pertaining to the operation of a land-based casino.

Election Results: Thirty-three parishes voted not to permit the operation of video draw poker devices and thirty-one parishes voted to permit their operation. Fifteen parishes voted to not to permit riverboat gaming activities and twenty-eight parishes voted to permit riverboat gaming. No parish in which a riverboat was located, at the time of the election, voted to discontinue riverboat gaming. Orleans Parish voted to permit the operation of a land-based casino. (See the charts beginning on page 2J-6 for vote by parishes on video poker and riverboat gaming.)

Additional Gaming Elections

Constitutional Requirements: Const. Art. XII §6(C)(1)(a) requires a vote of the people of a parish prior to conducting a new form of gaming, gambling, or wagering in that parish. Const. Art. XII §6(C)(1)(b) requires a vote of the people of a parish prior to conducting gaming in that parish which has not been previously conducted in the parish.

Act of Legislature Required to Authorize Election: R.S. 18:1300.22(A) requires an act of the legislature to authorize the calling of an election as required by Const. Art. XII §6(C).

LOUISIANA GAMING CONTROL LAW

Louisiana Gaming Control Board

Statutory Provisions: R.S. 27:1-3, 11-30.6, 31, and 32.

Board Composition and Terms: The Louisiana Gaming Control Board consists of nine members and two ex officio members who are United States citizens and are domiciled and eligible to vote in the state of Louisiana. At least one member shall be appointed from each congressional district and such appointments shall, as nearly as practicable, be made in a manner that is representative of the population of the state. All such appointments are subject to confirmation by the Senate. The commission members serve six-year staggered terms and shall be eligible for reappointment only once.

Regulatory Authority: The board has all regulatory authority, control, and jurisdiction, including investigation, licensing, and enforcement, and all power incidental or necessary to such regulatory authority, control, and jurisdiction over all aspects of gaming activities and operations as authorized pursuant to the provisions of the Louisiana Riverboat Economic Development and Gaming Control Act, the Louisiana Economic Development and Gaming Corporation Act, the Pari-mutuel Live Racing Facility Economic Redevelopment and Gaming Control Act and the Video Draw Poker Devices Control Law. Further, the board has all regulatory, enforcement, and supervisory authority which exists in the state as to gaming on Indian lands as provided in the provisions of Act No. 888 of the 1990 Regular Session and Act No. 817 of the 1993 Regular Session.

Riverboat Gaming

Statutory Provisions: R.S. 27:41-114.

Regulatory Authority: Louisiana Gaming Control Board.

Limitations on Number of Licenses/License Term: Not more than fifteen licenses to conduct gaming activities on a riverboat may be issued for the state as a whole and not more than six licenses may be issued for operation from any one designated waterway. The term of a riverboat gaming license is five years.

Designated Rivers and Waterways: The designated rivers and waterways upon which riverboat gaming may be conducted are the Mississippi, Red, Calcasieu, Mermentau, and Atchafalaya Rivers, Bayou Segnette within the city limits of Westwego, the Mississippi River Gulf Outlet, Bayou Bienvenue, Lake Pontchartrain, Lake Maurepas, Lake Charles, the Intracoastal Canal, except the portion within Terrebonne and Lafourche parishes, and, if approved by a referendum in a parish bordering the waterway, the Sabine River north of the Toledo Bend Reservoir Dam. Act No. 1299 of the 1995 Regular Session provided that on and after June 20, 1995, the addition of a waterway to the list of designated waterways will be effective in a parish bordering that waterway only if approved by a referendum election in the parish, which may be ordered at any time by the parish governing authority.

Land-Based Casino

Statutory Provisions: R.S. 27:201-286.

Regulatory Authority: The Louisiana Gaming Control Board.

Casino Operating Contract: The Louisiana Gaming Control Board is authorized to enter into a casino operating contract with a casino operator to conduct casino gaming operations at the official gaming establishment, to be located on the site of the Rivergate Convention Center in Orleans Parish. The term of the contract and any option to extend or renew may not exceed a total of twenty years primary term and one ten-year renewal option.

Video Draw Poker Devices

Statutory Provisions: R.S. 27:301-326.

Regulatory Authority: The Louisiana Gaming Control Board.

Categories of Licenses: There are three categories of persons who may be issued licenses for the operation of video draw poker devices:

- A person who has been granted a Class A-General retail permit or a Class A-Restaurant permit to sell alcoholic beverages for consumption on the premises of a restaurant, bar, tavern, cocktail lounge, club only, or such an establishment in a motel or hotel may be issued a license for the placement of not more than three video draw poker devices in the establishment.
- A person who owns a state racing commission licensed pari-mutuel wagering facility or an offtrack wagering facility may be issued a license for the placement of an unlimited number of video draw poker devices at the facility. There is no limit on the number of video draw poker devices which may be placed at a licensed pari-mutuel wagering facility or an offtrack wagering facility.
- A person who owns a qualified truck stop facility may be issued a license for the placement of video draw poker devices at the facility. The maximum number of devices which may be placed at a particular facility depends upon the amount of average monthly fuel sales, ranging from a maximum of fifty devices for a facility with high sales to a maximum of thirty-five devices for a facility with sales above the statutory minimum level.

Slot Machine Gaming at Live Horse Racing Facilities

Statutory Provisions: R.S. 27:351-393.

Regulatory Authority: The Louisiana Gaming Control Board.

Eligible Facility: "Eligible facility" means no more than one facility in St. Landry Parish, Bossier Parish, Orleans Parish and Calcasieu Parish at which the Louisiana State Racing Commission has licensed the conduct or at which the commission has approved the future licensing of the conduct of not less than 80 days within a consecutive 20-week period each year of live horse race meetings.

LOUISIANA LOTTERY

Statutory Provisions: R.S. 47:9000-9081.

Amendment to Constitution: In 1990, the voters of the state ratified a constitutional amendment to authorize the legislature to provide for the creation and operation of a state lottery and to create a special corporation for that purpose. In the same year, the legislature created the state lottery, administered by the Louisiana Lottery Corporation.

Regulatory Authority: The Louisiana Lottery Corporation administers the state lottery.

Board of Directors; Composition: The affairs of the corporation are administered by a board of directors composed of nine members appointed by the governor, subject to Senate confirmation. The board determines and operates all aspects of the state lottery,

including the types of games conducted, the number and amounts of prizes, the licensing of lottery retailers, and the purchase or lease of necessary goods and services.

HORSE RACING AND OFFTRACK WAGERING

Statutory Provisions: R.S. 4:141-227.

Commission Composition: The commission is composed of nine members, one person from each congressional district and two members at large, appointed by the governor, subject to Senate confirmation. Each member serves at the pleasure of the governor.

Regulatory Authority: The Louisiana State Racing Commission licenses and regulates the operation of race tracks and the conducting of horse racing and also licenses and regulates the operation of offtrack wagering facilities.

Local Option Election: No horse racing meet can be conducted in a parish unless the conducting of horse racing is first approved at a referendum election in the parish. Likewise, before a license can be granted for an offtrack wagering facility in any parish, the voters of that parish must give their approval in a referendum election held for that purpose. Only pari-mutuel race tracks conducting race meetings during the 1986-1987 racing season are eligible to apply for a license to operate offtrack wagering facilities.

Location of Horse Tracks: Presently, there are four horse racing tracks in the state: Delta Downs in Vinton, Evangeline Downs in Lafayette (moving to St. Landry Parish), the Fairgrounds in New Orleans, and Louisiana Downs in Bossier City. There are fourteen offtrack wagering facilities in the state.

CHARITABLE GAMING

Statutory Provisions: R.S. 4:701-740.

Local Governing Authority: The governing authority of any municipality or parish may determine whether to permit charitable organizations to conduct certain charitable gaming activities within its limits. The kinds of games of chance permitted by law include raffles, bingo or keno, pull-tabs, electronic video bingo, and fund raising events generally known as "Las Vegas Nights" or "Casino Nights".

Regulatory Authority: The licensing and regulatory authority over charitable organizations, manufacturers and distributors of equipment and supplies, and commercial lessors is exercised by both the local governing authority and the Department of Revenue, office of charitable gaming. This regulatory authority includes verification of the eligibility and qualifications of applicants, control and supervision of the games of chance held, operated or conducted under a license, and verification of the use and distribution of proceeds from the gaming operations. The office functions to ensure that net proceeds of charitable games of chance are contributed to bona fide charitable causes, to prevent infiltration of organized crime or professional gambling into charitable gaming, and to provide both public and local law enforcement education and awareness pertaining to the purposes of charitable gaming laws and regulations. The office provides assistance and education to local law enforcement agencies and the general public and issues state licenses to charitable gaming organizations as well as

commercial lessors leasing facilities for the conducting of charitable gaming activities.

INDIAN GAMING

Statutory Provisions: 25 U.S.C. 2701 et seq.

Indian Gaming Regulatory Act: Federal law, the Indian Gaming Regulatory Act, provides in pertinent part that federally recognized Indian tribes may conduct on their reservation lands any gaming activities that are permitted by state law. Since the legislature has authorized a wide range of gaming activities, including casino gaming, qualified Indian tribes in this state have commenced these gaming operations.

Regulatory Authority: The state does not have any direct control or regulatory authority over Indian gaming but does have the right and responsibility to enter into a gaming compact with a qualified Indian tribe. The Louisiana Gaming Control Board has all regulatory, enforcement, and supervisory authority which exists in the state as to gaming on Indian lands as provided in the provisions of Act No. 888 of the 1990 Regular Session and Act No. 817 of the 1993 Regular Session.

Federally Recognized Indian Tribes: There are four federally recognized tribes in Louisiana: the Chitimacha, with tribal lands in St. Mary Parish; the Coushatta, with tribal lands in Allen and Jefferson Davis parishes; the Tunica-Biloxi, with tribal lands in Avoyelles Parish; and the Jena Band of Choctaw, which is located principally around the city of Jena but has tribal members located in Grant, LaSalle, and Rapides parishes.

VIDEO DRAW POKER AND RIVERBOAT GAMING LOCAL OPTION

Parish-by-Parish Results of November 5, 1996 Election on Video-Draw-Poker Question

Yes	No
Acadia	Allen
Assumption	Ascension
Avoyelles	Beauregard
Bossier	Bienville
Caddo	Caldwell
Calcasieu	Catahoula
Cameron	Claiborne
DeSoto	Concordia
East Carroll	East Baton Rouge
Iberville	East Feliciana
Jefferson	Evangeline
Jefferson Davis	Franklin

Yes	No
Lafourche	Grant
Madison	Iberia
Orleans	Jackson
Plaquemines	Lafayette
Pointe Coupee	LaSalle
Red River	Lincoln
St. Bernard	Livingston
St. Charles	Morehouse
St. Helena	Natchitoches
St. James	Ouachita
St. John the Baptist	Rapides
St. Landry	Richland
St. Martin	Sabine
St. Mary	St. Tammany
Tensas	Tangipahoa
Terrebonne	Union
Webster	Vermilion
West Baton Rouge	Vernon
West Feliciana	Washington
	West Carroll
	Winn

Parish-by-Parish Results of November 5, 1996 Election on
Riverboat Gaming Question

Yes	No
Acadia	Allen
Ascension	Catahoula
Assumption	Concordia
Avoyelles	Grant
Bossier	Iberia
Caddo	Livingston
Calcasieu	Natchitoches
Cameron	Rapides

Yes	No
East Baton Rouge	St. Charles
East Carroll	St. Tammany
East Feliciana	Terrebonne
Iberville	Vermilion
Jefferson	Vernon
Jefferson Davis	Winn
Madison	
Orleans	
Plaquemines	
Pointe Coupee	
Red River	
St. Bernard	
St. James	
St. John the Baptist	
St. Landry	
St. Martin	
St. Mary	
Tangipahoa	
Tensas	
West Baton Rouge	
West Feliciana	